

1997-99 Performance Progress Report

For Quarter Ending June 1999

Agency 126

State Investment Board

Mission

The State Investment Board invests and manages the entrusted funds in a manner consistent with statutes, regulations, board policies, and the highest standard of professional conduct for the exclusive benefit of fund beneficiaries.

Strategy Achieve fund performance which is appropriate for each of the various components of the overall fund, given the unique objectives of each component and is comparable to other large institutional investors.

Performance Measure Retirement Funds: Measure the variance from the median rate of return in comparison to a nationally recognized public pension fund benchmark (TUCS).*

* Final data becomes available in October, four months after fiscal year end. Positive number indicates fund outperformed the benchmark.

Outcome	Fiscal Year 1998				Fiscal Year 1999			
	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>	<u>Quarter 5</u>	<u>Quarter 6</u>	<u>Quarter 7</u>	<u>Quarter 8</u>
Estimate	+/- 1%	+/- 1%	+/- 1%	+/- 1%	+/- 1%	+/- 1%	+/- 1%	+/- 1%
Actual	-1.0%	+0.1%	-0.1%	-0.3%	+1.21%	-1.48%	+0.59%	+0.20%
Date Measured	9/30/97	12/31/97	3/31/98	6/30/98	9/30/98	12/31/98	3/31/99	6/30/99

Quarter 1 Comment Final data available October 1998 (market value for certain assets are appraised annually). This comment is true for quarters 1 - 4. Updated amounts on 12-4-98 to reflect corrected variance.

Quarter 2 Comment Updated amounts on 12-4-98 to reflect corrected variance.

Quarter 3 Comment Updated amounts on 12-4-98 to reflect corrected variance.

Quarter 4 Comment Updated amount on 12-4-98 to reflect the corrected variance.

Quarter 6 Comment entered amts on 3/5/99.

Quarter 7 Comment entered amount on 5/19/99

Quarter 8 Comment amount entered on 8/25/99

Performance Measure Permanent Funds: Measure the variance from the average rate of return in comparison to a nationally recognized bond fund benchmark (Lehman Aggregate).*

* Final data becomes available in October, four months after fiscal year end. Positive number indicates fund outperformed the benchmark.

Outcome	Fiscal Year 1998				Fiscal Year 1999			
	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>	<u>Quarter 5</u>	<u>Quarter 6</u>	<u>Quarter 7</u>	<u>Quarter 8</u>
Estimate	+/- 1%	+/- 1%	+/- 1%	+/- 1%	+/- 1%	+/- 1%	+/- 1%	+/- 1%
Actual	+0.17%	+0.07%	+0.75%	+0.05%	-1.24%	+0.30%	+0.11%	+0.10%
Date Measured	9/30/97	12/31/97	3/31/98	6/30/98	9/30/98	12/31/98	3/31/99	6/30/99

Quarter 1 Comment Final data available October 1998 (market value for certain assets are appraised annually). This comment is true for quarters 1 - 4. Updated quarterly actuals on 12-4-98 to reflect corrected variances.

Quarter 3 Comment Updated quarterly actual on 12-4-98 to reflect corrected variance.

Quarter 4 Comment Updated quarterly actual on 12-4-98 to reflect corrected variance.

1997-99 Performance Progress Report

For Quarter Ending June 1999

Agency 126

State Investment Board

Quarter 6
Comment entered amounts on 3/5/99.

Quarter 7
Comment amount added on 5/19/99

Quarter 8
Comment amount entered on 8/25/1999.

Performance Measure Other Trust Funds: Measure the variance from the average rate of return in comparison to a nationally recognized fund benchmark (90 day Treasury Bill).*

* Final Data becomes available in October, four months after fiscal year end. Positive number indicates fund outperformed benchmark.

Outcome	Fiscal Year 1998				Fiscal Year 1999			
	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>	<u>Quarter 5</u>	<u>Quarter 6</u>	<u>Quarter 7</u>	<u>Quarter 8</u>
Estimate	+/- 0.30%	+/- 0.30%	+/- 0.30%	+/- 0.30%	+/- 0.30%	+/- 0.30%	+/- 0.30%	+/- 0.30%
Actual	+0.18%	+0.21%	+0.03%	+0.05%	+0.00%	+0.17%	+0.11%	+0.07%
Date Measured	9/30/97	12/31/97	3/31/98	6/30/98	9/30/98	12/31/98	3/31/99	6/30/99

Quarter 1
Comment Updated quarterly actual on 12-4-98 to reflect corrected variance.

Quarter 2
Comment Updated quarterly actual on 12-4-98 to reflect corrected variance

Quarter 3
Comment Updated quarterly actual on 12-4-98 to reflect corrected variance

Quarter 4
Comment Updated quarterly actual on 12-4-98 to reflect corrected variance.

Quarter 6
Comment entered amounts on 3/5/99.

Quarter 7
Comment amount added on 5/19/99